

FIRST CAPITAL SECURITIES CORPORATION LIMITED

**CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED
31 DECEMBER 2009
(Un-Audited)**

VISION

First Capital Securities Corporation Limited aspires to become a well-diversified and successful conglomerate and develop its image as a premier media, real estate and financial services group.

MISSION

At First Capital Securities Corporation Limited we are committed to provide high quality services in a positive environment that encourages innovation, creativity and teamwork, promotes ethical and efficient behavior and enables shareholders to maximize the returns on their investments.

Contents

Page Five

Company information

Page Seven

Directors' review

Page Nine

Review report

Page Ten

Balance sheet

Page Eleven

Profit & loss account

Page Twelve

Statement of comprehensive income

Page Thirteen

Cash flow statement

Page Fourteen

Statement of changes in equity

Page Fifteen

Notes to the accounts

Page Nineteen

Consolidated accounts

FIRST CAPITAL SECURITIES CORPORATION LIMITED

COMPANY INFORMATION

Board of Directors	Salmaan Taseer (Chairman and Chief Executive Officer) Aamna Taseer Shahbaz Ali Taseer Shehryar Ali Taseer Omer Subhan Salamat Sulieaman Ahmed Said Al-Hoqani Jamal Said Al-Ojaili
Chief Financial Officer	Saeed Iqbal
Audit Committee	Shahbaz Ali Taseer (Chairman) Aamna Taseer Omer Subhan Salamat
Company Secretary	Muhammad Irfan Khawaja
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Legal Advisers	Mazhar Law Associates Advocates and Solicitors
Bankers	Allied Bank Limited Bank Al-Habib Limited Bank Al-Falah Limited Faysal Bank Limited KASB Bank Limited MCB Bank Limited NIB Bank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited Ground Floor, State Life Building No. 3 Dr. Ziauddin Ahmed Road, Karachi. ☎ (021) 111 000 322
Registered / Head Office	103-C/II, Gulberg-III Lahore, Pakistan ☎ (042) 35757591-4 Fax: (042) 35757590, 35877920

FIRST CAPITAL SECURITIES CORPORATION LIMITED

DIRECTORS' REVIEW

The Directors of First Capital Securities Corporation Limited (the "Company" or "FCSC") are pleased to present the auditors' reviewed financial statements of the Company for the half year ended 31 December 2009.

Operational Results

The operating results of the Company are summarized as follows:

	31 December 2009	31 December 2008
	Rupees	Rupees
Revenue	41,679,470	(41,400,649)
Unrealized loss on short term investments	(162,559,932)	(688,406,632)
Operating Expenses	36,201,970	34,439,261
Operating loss	(157,082,432)	(764,246,542)
Finance and other costs	6,084,637	7,159,672
Loss before Taxation	(132,209,103)	(718,909,813)
Earnings per Share (basic and diluted)	(0.46)	(2.50)

Your Company's performance has been showing a strong recovery wherein the group companies have also started to stabilize their business after going through a difficult recessionary period. Resultantly, your Company posted an after tax loss of Rs. 133.40 million as compared to a loss of Rs. 719.41 million in the corresponding period last year. Earning per share (EPS) has increased by Rs.2.04 as compared with loss per share of Rs.2.50 in the same period last year.

Our subsidiaries have showed a mixed performance during the last six months under review. First Capital Equities Limited (FCEL) reported revenue of Rs. 216.28 million, though it incurred an after tax loss of Rs. 123.50 as compared to the profit of Rs. 8.20 million in the same period of the last year. EPS stood at Rs. (1.14) from Rs. 0.08 in the corresponding period last year. First Capital Investments Limited (FCIL) has reported profit after tax of Rs.13.42 million as compared to loss of Rs.20.52 million last year. Trident Construct (Pvt.) Limited (TCL) reported revenue of Rs.52.00 million, although it incurred an after tax loss of Rs.22.98 million as compared to profit of Rs.117.49 million for the corresponding period last year. Lanka Securities (Pvt.) Limited ("LSL") generated gross revenue of Rs. 56.33 million and net profit of Rs. 33.59 million during the period while EPS stood at Rs. 4.15. Another subsidiary of the Company namely World Press (Pvt.) Limited also earned revenues of Rs. 61.93 million while incurring an after tax loss of Rs.16.17 million as compared to profit of Rs.6.12 million for the same period last year.

Market outlook

The economy of Pakistan had suffered the protracted travails of the global recession and domestic imbalances during FY 09. The warning signs were visible in almost all the sectors of the economy not limited to financial & real sectors wherein almost all the companies have fought the war of survival. Pakistan got a sigh of relief with the start of FY 10 wherein the key

macro indicators have started to stabilize such as bottom of the inflation 8.87% in Oct 2010, gradual ease of monetary policy, build up of sustainable foreign exchange reserves, & manageable current account deficit. There have been major positive developments on the war on terror which will ultimately improve the investment & business climate in the country. Resultantly, the equity markets showed positive return of 31% since start of FY10, fixed income instruments have regained credibility for trading, real estate sector is again becoming attractive for investors, real sectors of the economy have shown better results and investment climate is also improving.

Future Outlook

We are very optimistic for the start of CY 2010, wherein the macro, political & security situation will improve amid the expected huge sovereign inflow of funds, range bound outlook of the commodity market, reconciliation strategy of the government with opposition parties and expected outcome of the aggressive military operation. We expect CY 10 will be witness stellar performance of capital markets, high growth in real sector, solution of the liquidity problems, capital appreciation of the real estate sector & attractive foreign investment flows.

Your Company has diversified investments in media, property and financial services businesses and is equipped with the required strategic resources to capitalize on growth opportunities as they become available. We expect that the business models of our companies will perform in tandem with the market triggers & generate the maximum wealth for our valued shareholders

Board of Directors

There is no change in the composition of Board of Directors of the Company, since annual report. In extraordinary general meeting held on 26 September 2009 all existing directors were retired and reappointed for a term of three years.

Acknowledgement

The directors place on record their sincere appreciation for the assistance and co-operation provided by financial institutions, government authorities and other stake holders in attaining such commendable performance. The directors also appreciate the committed services of the employees of the Company.

For and on behalf of the Board of Directors

Lahore
25 February 2010

Salmaan Taseer
Chairman and Chief Executive Officer

Aamna Taseer
Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED

Independent Report on Review of Condensed Interim Financial Information to the members of First Capital Securities Corporation Limited

Introduction

We have reviewed the accompanying condensed interim balance sheet of **First Capital Securities Corporation Limited** as at 31 December 2009 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity for the six months period then ended (condensed interim financial information). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the quarter ended 31 December 2009 in the condensed interim profit and loss account have not been reviewed and we do not express a conclusion on them.

Lahore
25 February 2010

KPMG Taseer Hadi & Co.
Chartered Accountants
(Kamran Iqbal Yousafi)

FIRST CAPITAL SECURITIES CORPORATION LIMITED CONDENSED INTERIM BALANCE SHEET AS AT 31 DECEMBER 2009

	(UN-AUDITED) 31 December 2009 Rupees	(AUDITED) 30 June 2009 Rupees
NON CURRENT ASSETS		
Property and equipment	183,694,193	184,140,444
Long term loans	377,329,002	349,429,002
Investment property	527,569,150	850,008,150
Long term investments	6,745,621,389	6,817,025,949
Long term deposits	537,500	646,838
	7,834,751,234	8,201,250,383
Current assets		
Trade debts	1,869,842	1,681,297
Loans and advances	2,324,455	2,303,978
Short term prepayments	159,866	111,777
Taxation recoverable	19,415,660	18,743,777
Other receivables	7,183,607	11,401,062
Investments at fair value through profit and loss	1,688,656,402	1,905,044,077
Cash and bank balances	20,919,728	17,279,396
	1,740,529,560	1,956,565,364
Current liabilities		
Current portion of liabilities against assets subject to finance lease	709,375	666,661
Mark up accrued	2,765,263	2,755,132
Short term borrowings - secured	70,329,587	70,325,587
Trade and other payables	257,465,667	309,947,791
	331,269,892	383,695,171
Working capital	1,409,259,668	1,572,870,193
Net assets	9,244,010,902	9,774,120,576
Non current liabilities		
Liabilities against assets subject to finance lease	619,655	984,576
Staff retirement benefits	13,865,499	11,730,619
	14,485,154	12,715,195
Contingencies and commitments		
Net capital employed	9,229,525,748	9,761,405,381
Represented by:		
Share capital and reserves		
Issued, subscribed and paid-up capital	2,878,273,750	2,502,846,740
Reserves	1,922,993,216	2,321,471,026
Unappropriated profit	4,428,258,782	4,937,087,615
	9,229,525,748	9,761,405,381

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009

	Six months ended		Three months ended	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
	Rupees	Rupees	Rupees	Rupees
Operating revenue				
Unrealized loss on remeasurement of short term investments	(162,559,932)	(688,406,632)	(614,788,521)	(477,985,535)
Financial consultancy services	5,000,000	1,500,000	5,000,000	-
Money market services	7,371,762	6,116,953	3,359,447	2,651,916
Gain/(loss) on sale of investments	10,367,177	(56,672,629)	790,251	(55,369,288)
Gain on sale of investment property	676,360	250,000	676,360	250,000
Rental income from investment property	10,212,406	5,369,477	5,785,865	3,902,924
Dividend income	8,051,765	2,035,550	8,051,765	2,035,550
	<u>(120,880,462)</u>	<u>(729,807,281)</u>	<u>(591,124,833)</u>	<u>(524,514,433)</u>
Operating expenses	36,201,970	34,439,261	20,239,949	19,498,424
Operating loss	(157,082,432)	(764,246,542)	(611,364,782)	(544,012,857)
Finance and other costs	6,084,637	7,159,672	2,810,353	5,608,902
	<u>(163,167,069)</u>	<u>(771,406,214)</u>	<u>(614,175,135)</u>	<u>(549,621,759)</u>
Other operating income	30,957,966	52,496,401	15,903,712	27,768,558
Loss before taxation	(132,209,103)	(718,909,813)	(598,271,423)	(521,853,201)
Taxation	(1,192,720)	(501,948)	(761,642)	(390,293)
Loss after taxation	(133,401,823)	(719,411,761)	(599,033,065)	(522,243,494)
Loss per share- basic and diluted (2008 : restated)	(0.46)	(2.50)	(2.08)	(1.81)

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

LAHORE: CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE
INCOME (UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009

	31 December 2009	31 December 2008
	Rupees	Rupees
Loss after taxation	(133,401,823)	(719,411,761)
Other comprehensive income/(expense)		
(Loss)/gain on remeasurement of available for sale of financial assets	(398,477,810)	87,366,972
Total comprehensive loss for the period	(531,879,633)	(632,044,789)

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

LAHORE: CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009

	31 December 2009	31 December 2008
	Rupees	Rupees
Cash flow from operating activities		
Loss before taxation	(132,209,103)	(718,909,813)
Adjustments for:		
Finance and other costs	6,084,637	7,159,672
Unrealized loss on remeasurement of investments at fair value through profit and loss	162,559,932	688,406,632
Dividend income	(8,051,765)	(2,035,550)
Depreciation	446,251	614,291
Gain on disposal of property and equipment	-	(450,000)
Gain on disposal of investment property	(676,360)	-
Gain on currency translation	(81,126)	(168,240)
Gain on disposal of subsidiary	-	(249,503)
Mark up income	(30,876,840)	(50,965,741)
Provision for staff retirement benefits	2,171,380	1,675,484
	<u>131,576,109</u>	<u>643,987,045</u>
Loss before working capital changes	(632,994)	(74,922,768)
(Increase)/decrease in working capital :		
Trade debts	(188,545)	(22,591,269)
Loans and advances	(20,477)	(163,402)
Short term prepayments	(48,089)	(29,561)
Other receivables	4,205,655	(952,506)
Short term investments-net	53,827,743	43,351,850
Trade and other payables	(52,482,124)	(59,689,426)
	<u>5,294,163</u>	<u>(40,074,314)</u>
Cash used in operations	4,661,169	(114,997,082)
Staff retirement benefits	(36,500)	(14,000)
Finance and other costs paid	(6,074,506)	(4,327,562)
Taxes paid	(1,864,603)	(3,552,428)
	<u>(7,975,609)</u>	<u>(7,893,990)</u>
Net cash used in operating activities	(3,314,440)	(122,891,072)
Cash flows from investing activities		
Capital expenditure incurred	-	(100,307,697)
Dividend received	8,063,565	13,019,914
Proceeds from disposal of property and equipment	-	450,000
Proceeds from disposal of investment property	323,115,360	-
Placements	-	(32,200,000)
Investment property	-	(35,257,608)
Proceeds from disposal of subsidiary	-	725,000
Long term loans	(27,900,000)	(77,025,000)
Long term investment	(327,073,250)	-
Long term deposits	109,338	-
Mark up received	30,876,840	51,081,160
Net cash generated/(used in) from investing activities	7,191,853	(179,514,231)
Cash flows from financing activities		
Repayment of liabilities against assets subject to finance lease	(322,207)	(284,698)
Short term borrowings	4,000	60,860,548
Net cash (used in)/generated from financing activities	(318,207)	60,575,850
Net increase/(decrease) in cash and cash equivalents	3,559,206	(241,829,453)
Cash and cash equivalents at the beginning of the period	17,279,396	350,905,292
Unrealised exchange gain on translation of deposit account	81,126	168,240
Cash and cash equivalents at the end of the period	20,919,728	109,244,079

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

LAHORE: CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009

	Share capital	Fair value reserve	Revenue reserve	Total
	Rupees	Rupees	Unappropriated profit Rupees	Rupees
Balance as at 01 July 2008	1,625,225,160	2,905,945,335	7,187,419,201	11,718,589,696
Total comprehensive loss for the period				
Loss for the period after tax	-	-	(719,411,761)	(719,411,761)
Other comprehensive income for the period				
Fair value gain during the period	-	87,366,972	-	87,366,972
Total comprehensive loss for the period	-	87,366,972	(719,411,761)	(632,044,789)
Balance as at 31 December 2008	1,625,225,160	2,993,312,307	6,468,007,440	11,086,544,907
Total comprehensive income for the period				
Loss for the period after tax	-	-	(653,298,245)	(653,298,245)
Other comprehensive income for the period				
Fair value loss during the period	-	(671,841,281)	-	(671,841,281)
Total comprehensive (loss) for the period	-	(671,841,281)	(653,298,245)	(1,325,139,526)
Distribution to owners				
Issuance of bonus shares	877,621,580	-	(877,621,580)	-
Total transaction with owners	877,621,580	-	(877,621,580)	-
Balance as at 30 June 2009	<u>2,502,846,740</u>	<u>2,321,471,026</u>	<u>4,937,087,615</u>	<u>9,761,405,381</u>
Balance as at 01 July 2009	2,502,846,740	2,321,471,026	4,937,087,615	9,761,405,381
Total comprehensive loss for the period				
Loss for the period after tax	-	-	(133,401,823)	(133,401,823)
Other comprehensive loss for the period				
Fair value loss during the period	-	(398,477,810)	-	(398,477,810)
Total comprehensive loss for the period	-	(398,477,810)	(133,401,823)	(531,879,633)
Issuance of bonus shares	375,427,010	-	(375,427,010)	-
Balance as at 31 December 2009	<u>2,878,273,750</u>	<u>1,922,993,216</u>	<u>4,428,258,782</u>	<u>9,229,525,748</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

LAHORE: CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR

FIRST CAPITAL SECURITIES CORPORATION LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009

1 Status and nature of business

First Capital Securities Corporation Limited ("the Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the Karachi, Lahore and Islamabad stock exchanges. The registered office of the Company is situated at 103 C/II, Gulberg-III, Lahore. The Company is involved in making long and short term investments, money market operations and financial consultancy services.

2 Basis of preparation

These condensed interim financial statements are prepared in accordance with the requirements of the International Accounting Standard-34 "Interim Financial Statements" and are being submitted to the shareholders under section 245 of the Companies Ordinance 1984. The condensed interim financial information does not include all the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2009.

3 Accounting policies

3.1 The accounting policies and methods of computation adopted in the preparation of the condensed interim financial information are the same as those applied in preparation of preceding annual financial statements for the year ended 30 June 2009, except for change required as a result of adaptation of IAS 1-Revised-Presentation of financial statements.

The revised accounting standard prohibits the presentation of certain items of income and expenses (non-owner changes in equity) in the statement of changes in equity that were earlier required by other International Financial Reporting Standards (IFRS) to be accounted for in the statement of changes in equity and thus requires 'non-owner changes in equity' to be presented separately from 'owner changes in equity'. All 'non-owner changes in equity' are required to be shown in the performance statement. Companies can choose whether to present one performance statement (Statement of Comprehensive Income) or two statements (Profit and Loss Account and Statement of Comprehensive Income).

The company, however has preferred to two step statement i.e., Profit and Loss Account and Statement of Other Comprehensive Income. This interim financial information has been prepared on the basis of revised disclosure requirements.

4 Estimates

The preparation of condensed interim financial statements require management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the accounting policies and the key sources of estimating uncertainty were the same as those that were applied to in the financial statements for the year ended 30 June 2009.

5 Long term investments

Available for sale

Subsidiary companies - at cost

Impairment loss

31 December 2009 Rupees	30 June 2009 Rupees
-------------------------------	---------------------------

152,760,200	154,470,093
-	(1,709,893)
152,760,200	152,760,200

Subsidiary company - at fair value

Unrealized gain/(loss) on revaluation of available for sale

4,917,512,424	6,665,937,168
(529,628,352)	(1,748,424,744)
4,387,884,072	4,917,512,424

Associated companies - at cost

Associated company - at fair value

Unrealized gain on revaluation of available for sale

526,340,000	245,045,000
1,547,486,575	337,757,890
131,150,542	1,163,950,435
2,204,977,117	1,746,753,325

6,745,621,389	6,817,025,949
----------------------	----------------------

6 Investments at fair value through profit or loss

Held for trading

Related parties

Others

Others - related parties

19,971,650	36,730,831
13,562,299	38,418,975
1,817,682,385	3,236,430,652
1,851,216,334	3,311,580,458

Unrealised loss on account of remeasurement to fair value during the period

(162,559,932)	(1,406,536,381)
1,688,656,402	1,905,044,077

7 CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in contingencies from those disclosed in the published financial statements of the Company for the year ended 30 June 2009.

31 December 2009 Rupees	31 December 2008 Rupees
-------------------------------	-------------------------------

Commitments

Commitments in respect of capital expenditure

239,830,434	239,830,434
--------------------	-------------

8 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, subsidiary undertakings, associated companies, directors and key management personnel. The significant transactions with related parties are as follows:

	31 December 2009 Rupees	31 December 2009 Rupees
Subsidiary companies		
Finance cost charged	-	1,426,684
Brokerage / Commission / Loan arrangement fee paid	735,106	606,160
Mark up income	-	926,890
Dividend income	7,809,065	-
Purchase of goods/services	541,440	426,207
Short term borrowings - Repo	-	60,000,000
Repayment of short term borrowings - Repo	-	60,000,000
Placements entered and rolled over	-	32,200,000
Sale of property	323,115,360	-
Associated companies		
Income from financial consultancy services	5,000,000	1,500,000
Mark up income	30,667,639	32,183,014
Long term loan given	27,900,000	-
Long term investments made	327,073,250	-
Liability paid against purchase of property	51,221,304	-
Insurance premium paid	265,987	361,536
Insurance claim received	12,000	8,700

9 Date of authorization for issue

These un-audited condensed interim financial information for the half year ended 31 December 2009 were authorized for issue on 25 February 2010 by the Board of Directors of the Company.

10 GENERAL

Figures have been rounded off to the nearest rupee.

FIRST CAPITAL SECURITIES CORPORATION LIMITED

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED
31 DECEMBER 2009
(Un-Audited)**

FIRST CAPITAL SECURITIES CORPORATION LIMITED

Directors' Review on Consolidated Financial Statements

The Directors of First Capital Securities Corporation Limited ("the Group") are pleased to present un-audited consolidated financial information of the Group for the six months ended 31 December 2009. The Group's performance during the period is summarized as below:

Financial Overview	31 December 2009	31 December 2008
	Rupees in Millions	
Revenue	421	879
Direct costs	95	173
Operating expenses	204	199
Operating profit	121	507
Share of profit/(loss) of associated companies	(2)	(10)
Unrealized gain/(loss) on re measurement of investment	22	(824)
Profit/(loss) after taxation	(89)	(628)
Non-controlling interest	(38)	58
Earnings per share	(0.18)	(2.38)

First Capital Equities Limited has reported revenue of Rs. 216.28 million although it incurred an after tax loss of Rs. 123.50 as compared to the profit of Rs. 8.20 million in the same period last year. EPS stood at Rs. (1.14) from Rs. 0.08 in the corresponding period last year.

First Capital Investments Limited reported profit after tax of Rs. 13.42 million as compared to loss of Rs. 20.52 million in the corresponding period last year.

Trident Construct (Pvt.) Limited reported revenue of Rs. 52.00 million, although it incurred an after tax loss of Rs. 22.98 million as compared to profit of Rs. 117.49 million for the same period last year.

Sri Lankan based brokerage subsidiary Lanka Securities (Pvt.) Limited generated gross revenue of Rs. 56.33 million and net profit of Rs. 33.59 million during the period while EPS stood at Rs. 4.15.

World Press (Pvt.) Limited earned revenues of Rs. 61.93 million while incurring an after tax loss of Rs. 16.17 million as compared to profit of Rs. 6.12 million for the corresponding period last year.

FUTURE OUTLOOK

After a turbulent year FY 2008/09, we are positive about economic recovery in the coming months given lower inflation, stabilized foreign exchange reserves and improved current account balance of the country. We expect that the improved business & economic environment will attract foreign inflows in power, capital market, agriculture, real estate sectors and improve the country's situation even further.

The Group has diversified investments in media, real estate and financial services businesses, wherein we have experienced management, committed employees & sufficient resources to capitalize on market opportunities as they become available & face any challenges of a competitive environment.

The Board of Directors wishes to express its appreciation and gratitude to the shareholders for their continued support and to the employees for their ongoing dedication and commitment to the Group.

For and on behalf of the Board of Directors

Lahore
25 February 2010

Salmaan Taseer
Chairman and Chief Executive Officer

Aamna Taseer
Director

**FIRST CAPITAL SECURITIES CORPORATION LIMITED GROUP
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2009**

Note	Un-audited 31 December 2009 Rupees	Audited 30 June 2009 Rupees
NON CURRENT ASSETS		
	566,596,687	595,179,826
	41,680,000	41,820,000
	377,329,002	349,429,002
	527,569,150	850,008,150
5	1,281,232,241	856,991,798
	23,680,714	15,209,852
	4,073,520	867,481
	2,822,161,314	2,709,506,109
Current assets		
	29,005,128	16,867,627
	3,163,495,990	3,705,798,389
	68,945,335	50,415,382
	2,249,439	2,936,503
	33,831,046	42,600,687
	25,461,611	47,747,864
6	1,279,427,202	1,503,852,766
	3,814,156	16,528,574
	874,228,769	-
7	864,120,857	910,694,818
	172,389,887	240,064,605
	6,516,969,420	6,537,507,215
Current liabilities		
	1,264,760,273	943,643,480
	127,565,387	169,619,425
	633,400,000	681,400,430
8	1,533,925,365	3,271,211,237
	18,867,661	19,132,642
	496,281,278	40,000,000
	4,074,799,964	5,125,007,214
	2,442,169,456	1,412,500,001
	5,264,330,770	4,122,006,110
Net current assets		
Net assets		
Non current liabilities		
	11,187,832	20,026,308
9	1,233,906,321	7,000,000
	61,977,964	50,720,965
	1,307,072,117	77,747,273
Contingencies and commitments		
10	3,957,258,653	4,044,258,837
Represented by:		
Share capital and reserves		
	2,878,273,750	2,502,846,740
	25,281,764	20,446,936
	538,699,000	538,699,000
	(223,281,465)	203,729,967
Capital and reserves attributable to equity holders of the parent company		
	3,218,973,049	3,265,722,643
	738,285,604	778,536,194
	3,957,258,653	4,044,258,837

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated financial information.

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED GROUP
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS
ACCOUNT (UN-AUDITED)**

FOR THE SIX MONTHS ENDED 31 DECEMBER 2009

	Six months ended		Three months ended	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
	Rupees	Rupees	Rupees	Rupees
Revenue	420,621,883	878,643,350	244,898,723	639,733,966
Direct costs	94,816,676	172,752,338	70,352,135	82,760,307
Gross profit	325,805,207	705,891,012	174,546,588	556,973,659
Operating expenses	204,452,398	198,706,289	110,512,919	97,949,476
Operating profit	121,352,809	507,184,723	64,033,669	459,024,183
Other income/(loss)	60,881,736	163,184,840	38,844,515	(101,404,704)
	182,234,545	670,369,563	102,878,184	357,619,479
Finance costs	261,636,632	411,940,814	133,335,248	225,881,631
	(79,402,087)	258,428,749	(30,457,064)	131,737,848
Share of loss of associated companies	(1,634,807)	(9,790,361)	(9,183,080)	(7,351,471)
Unrealized gain/(loss) on remeasurement of short term investments	22,227,452	(823,574,451)	(121,375,485)	(380,012,138)
Loss before taxation	(58,809,442)	(574,936,063)	(161,015,629)	(255,625,761)
Taxation	30,481,169	53,105,287	22,375,022	31,172,137
Loss after taxation	(89,290,611)	(628,041,350)	(183,390,651)	(286,797,898)
Non-controlling interest	(37,706,189)	58,143,708	(30,833,776)	49,837,624
Loss attributable to parent company	(51,584,422)	(686,185,058)	(152,556,875)	(336,635,522)
Earnings per share - basic and diluted (2008:restated)	(0.18)	(2.38)	(0.53)	(1.17)

Appropriations have been reflected in the statement of changes in equity.

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated financial information.

LAHORE:

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009**

	31 December 2009	31 December 2008
	Rupees	Rupees
Loss after taxation	(51,584,422)	(686,185,058)
Other comprehensive income	4,834,828	9,027,389
Total comprehensive loss for the period	(46,749,594)	(677,157,669)

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated financial statements.

LAHORE CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED GROUP
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009 (UN-AUDITED)**

	31 December 2009	31 December 2008
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(58,809,442)	(574,936,063)
Adjustments for:		
Depreciation	34,013,059	16,719,405
Finance cost	272,277,718	186,059,183
(Loss)/gain on remeasurement of short term investments	(22,227,452)	443,562,313
Dividend income	(1,469,034)	(218,200)
Amortization of intangible assets	140,000	70,000
Gain on disposal of property, plant and equipment	(1,088,000)	-
Exchange translation difference	9,108,638	(13,172,338)
Retirement benefits	14,264,173	3,260,833
Share of loss of associated companies	1,634,807	2,438,890
Mark up income	(171,763,890)	(154,004,910)
	134,890,019	484,715,176
Profit/(loss) before working capital changes	76,080,577	(90,220,887)
Effect on cash flow due to working capital changes:		
(Increase)/decrease in:		
Inventories	(12,137,501)	(3,403,517)
Trade debts	542,302,399	(597,871,265)
Loans and advances	(18,529,953)	860,381,281
Short term prepayments	687,064	2,071,300
Deposits and other receivables	22,274,452	(30,137,213)
Short term investments - net	68,801,413	(14,267,977)
Placements	224,425,564	(470,405,925)
Interest receivable	185,709	-
Increase/(decrease) in:		
Trade and other payables	321,116,793	(293,829,402)
Liability against repurchase agreement	(48,000,430)	553,405,874
Short term borrowings	(1,737,285,872)	(287,177,732)
	(636,160,362)	(281,234,576)
Cash used in operations	(560,079,785)	(371,455,463)
Long term deposits and advances	(8,470,862)	(4,063,918)
Retirement benefits paid	(3,007,174)	(60,060)
Finance costs paid	(314,331,756)	(148,924,617)
Taxes (paid)/received	(24,917,567)	20,935,553
Net cash used in operating activities	(910,807,144)	(503,568,505)
Cash flows from investing activities		
Fixed capital expenditure	(8,440,774)	(74,207,892)
Sale proceeds of property, plant and equipment	4,098,852	-
Dividend received	1,480,834	11,111,164
Investment in associates	(425,875,250)	-
Investment property	(551,789,769)	-
Long term Loans	(27,900,000)	(325,000)
Mark up received	184,664,017	157,715,734
Net cash (used in)/generated from investing activities	(823,762,090)	94,294,006
Cash flows from financing activities		
Repayment of liabilities against assets subject to finance lease	(9,103,457)	(2,075,251)
Long term finance	1,683,187,599	-
Dividend paid to minority	(7,189,626)	-
Net cash generated from / (used in) financing activities	1,666,894,516	(2,075,251)
Net decrease in cash and cash equivalents	(67,674,718)	(411,349,750)
Cash and cash equivalents in the beginning of the period	240,064,605	993,870,985
Cash and cash equivalents at the end of the period	172,389,887	582,521,235

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated financial statements.

LAHORE CHAIRMAN AND CHIEF EXECUTIVE OFFICER DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009**

	Attributable to equity holders of the Parent					Total Equity Rupees
	Share capital Rupees	Revaluation reserve of an associated company Rupees	Revenue Reserve	Unappropriated profit/(loss) Rupees	Total Rupees	
Balance as at 01 July 2008	1,625,225,160	-	9,670,933	2,172,678,728	4,106,543,421	4,917,151,117
Total comprehensive income for the period (Loss)/profit for the period after tax	-	-	-	(686,185,058)	(686,185,058)	(628,041,350)
Other comprehensive income for the period Exchange translation difference recognized directly in equity	-	-	9,027,389	-	9,027,389	17,700,759
Total comprehensive income/(loss) for the period	-	-	9,027,389	(686,185,058)	(677,157,669)	(610,340,591)
Distribution to owners						
Issuance of bonus shares	650,090,060	-	-	(650,090,060)	-	-
Issue of bonus shares by subsidiary	-	14,538,040	-	(14,538,040)	-	-
Total transaction with owners	650,090,060	14,538,040	-	(664,628,100)	-	-
Balance as at 31 December 2008	2,275,315,220	313,506,640	18,698,322	821,865,570	3,429,385,752	4,307,174,526
Total comprehensive income for the period (Loss) for the period after tax	-	-	-	(165,411,723)	(165,411,723)	(256,544,347)
Other comprehensive income for the period Exchange translation difference recognized directly in equity	-	-	1,748,614	-	1,748,614	3,428,658
Total comprehensive income/(loss) for the period	-	-	1,748,614	(165,411,723)	(163,663,109)	(253,115,689)
Distribution to owners						
Issuance of bonus shares	227,531,520	-	-	(227,531,520)	-	-
Issuance of bonus shares	-	225,192,360	-	(225,192,360)	-	-
Dividend paid	-	225,192,360	-	(462,729,880)	-	(9,800,000)
Total transaction with owners	227,531,520	538,699,000	20,446,936	203,729,967	778,536,194	(9,800,000)
Balance as at 30 June 2009	2,502,846,740	538,699,000	20,446,936	3,265,722,643	4,044,259,637	4,044,259,637
Balance as at 01 July 2009	2,502,846,740	538,699,000	20,446,936	3,265,722,643	4,044,259,637	4,044,259,637
Total comprehensive income for the period	-	-	-	(51,594,422)	(51,594,422)	(89,290,611)
Loss for the period after tax	-	-	-	-	-	(37,706,189)
Other comprehensive income for the period Exchange translation difference recognized directly in equity	-	-	4,834,828	-	4,834,828	9,480,053
Total comprehensive income/(loss) for the period	-	-	4,834,828	(51,594,422)	(46,749,594)	(79,810,658)
Distribution to owners						
Issuance of bonus shares	375,427,010	-	-	(375,427,010)	-	-
Dividend paid	-	-	-	(375,427,010)	-	(7,189,626)
Total transaction with owners	375,427,010	-	-	(375,427,010)	-	(7,189,626)
Balance as at 31 December 2009	2,878,273,750	538,699,000	25,281,764	(223,281,465)	3,218,973,049	3,957,258,653

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated financial information.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

1. Status and nature of business

First Capital Securities Corporation Limited (FCSC) ("the Parent Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the Karachi, Lahore and Islamabad stock exchanges. The registered office of the Parent Company is situated at 103 C/II, Gulberg-III, Lahore. The Parent Company is involved in making long and short term investments, money market operations and financial consultancy services.

2. Basis of preparation

These condensed interim financial statements are un-audited. These condensed financial statements have been prepared in accordance with the requirements of International Accounting Standard-34 "Interim Financial Statements" and are being submitted to the shareholders under section 245 of the Companies Ordinance 1984.

3. Accounting policies

The accounting policies and methods of computation adopted in the preparation of the condensed interim financial information are the same as those applied in preparation of preceding annual financial statements of the Parent Company for the year ended 30 June 2009, except for change required as a result of adaptation of IAS 1-Revised-Presentation of financial statements.

The revised accounting standard prohibits the presentation of certain items of income and expenses (non-owner changes in equity) in the statement of changes in equity that were earlier required by other International Financial Reporting Standards (IFRS) to be accounted for in the statement of changes in equity and thus requires 'non-owner changes in equity' to be presented separately from 'owner changes in equity'. All 'non-owner changes in equity' are required to be shown in the performance statement. Companies can choose whether to present one performance statement (Statement of Comprehensive Income) or two statements (Profit and Loss Account and Statement of Comprehensive Income).

The company, however has preferred to two step statement i.e., Profit and Loss Account and Statement of Other Comprehensive Income. This interim financial information has been prepared on the basis of revised disclosure requirements.

4. Subsidiary companies

Following subsidiary companies have been consolidated in the financial information of the Parent Company:

	Percentage of Holding	
	31 December 2009	30 June 2009
First Capital Investments Limited (FCIL)	76.56	76.56
Lanka Securities (Pvt.) Limited, Sri Lanka	51	51
World Press (Pvt.) Limited	65	65
First Capital Equities Limited (FCEL)	67.29	67.29
Trident Construct (Pvt.) Limited	51	51
Ever Green Water Valley (Pvt.) Limited	51	51

	31 December 2009	30 June 2009
	Rupees	Rupees
5. Investment in associates		
Opening balance	856,991,798	534,831,039
Add: Acquisition of additional shares	425,875,250	240,605,114
Share of (loss)/profit of associated companies	(1,634,807)	81,555,645
Closing balance	<u>1,281,232,241</u>	<u>856,991,798</u>
6 Placements		
Securities purchased under the resale agreements of quoted shares - Others	1,279,427,202	1,503,852,766
7 Short term investments		
Investments measured at fair value through profit and loss account		
Carrying amount of investments	841,893,405	1,819,245,700
Un-realised profit/(loss) on remeasurement of investments	22,227,452	(908,550,882)
	<u>864,120,857</u>	<u>910,694,818</u>

8 Short term borrowings

These facilities have been obtained from various commercial banks under mark up arrangements amounting to Rs 2,440 million (June 2009: Rs 4,440 million). These facilities carry mark up at rate ranging from 3 to 6 months KIBOR plus 3% to 5 % per annum payable quarterly (June 2009: 2.5 % to 5 % per annum) with floor limits ranging from 14.37% to 17.76 % per annum (June 2009: 14.49% to 19.52% per annum). These are secured against pledge of quoted equity securities.

	31 December 2009	30 June 2009
	Rupees	Rupees
9 Long term finances		
Term finance facility	1,730,187,599	47,000,000
Less: Current portion shown under current liability	496,281,278	40,000,000
Long term portion	<u>1,233,906,321</u>	<u>7,000,000</u>

During the period the Company has entered into an agreement with UBL Bank Limited to restructure the NICF amount converted into NIDF facility with a flat mark up rate of 8 % p.a. The facility is secured against the pledge of shares, charge over trade receivable and equitable mortgage of certain properties.

10 Contingencies and commitments

There is no change in contingencies and commitments disclosed in the annual audited consolidated financial statements for the year ended June 30, 2009 except for the following:

First Capital Investments Limited

The Finance Act, 2008 brought an amendment in section 2 (f) of the Workers' Welfare Fund Ordinance, 1971 (the WWF Ordinance) with the intention to make the definition of "Industrial Establishment" applicable to any establishment to which the West Pakistan Shop and Establishment Ordinance, 1969 applies. As a result of this amendment, it can be construed that the WWF Ordinance is applicable to all establishments whose income exceeds Rs. 0.5 million in a tax year, thus rendering them liable to pay two percent of their total income (as defined in section 4 of the WWF Ordinance).

Accordingly no provision for the aforementioned liability amounting to Rs. 68,805 has not been made in these condensed interim consolidated financial information. (June 2009: NIL)

	31 December 2009	30 June 2009
	Rupees	Rupees
Commitments		
Capital Expenditure	239,830,434	239,830,434
Sale of Shares	423,345,668	213,360,116
Purchase of shares	391,739,085	224,806,739
Performance Guarantees		
Pakistan Telecommunication Company Limited	-	2,922,037
Allama Iqbal Open University	974,200	-
Punjab Textbook Board Lahore	5,715,319	4,055,066

11 Transactions with related parties

Related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, associated companies, directors and key management personnel. The significant transactions with related parties are as follows:

	31 December 2009	31 December 2008
	Rupees	Rupees
Associated companies		
Brokerage income	2,452	7,709,910
Repurchase agreement arrangement fee	-	2,929,167
Placements entered and rolled over	-	1,140,000,000
Placements matured	-	455,000,000
Income earned on placement	-	158,200,480
Mark up Income	30,667,639	32,183,014
Income from Financial Consultancy Services	8,957,001	4,919,923
Insurance premium	265,987	361,536
Insurance claim	12,000	8,700
Sale of goods/services	12,778,320	68,068,801
Purchase of goods/services	-	37,823
Long term loan given	27,900,000	-
Contract services	35,083,268	203,239,680
Long term investments made	327,073,250	-
Liability paid against purchase of property	51,221,304	-

12 Date of authorization for issue

These un-audited condensed interim consolidated financial information for the half year ended 31 December 2009 were authorized for issue on 25 February 2010 by the Board of Directors of the Parent Company.

13 General

Figures have been rounded off to the nearest rupee.